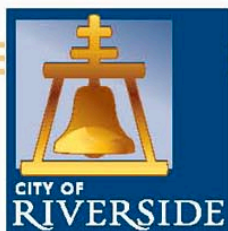


City of Riverside, California



2006

Development Department Annual Report 2005-2006

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Orange Street Parking Garage

What Dreams May Come – From the Development Department

Dreams are becoming reality for the City of Riverside. When you compare Riverside's 2002 retail sales tax of \$3.6 billion to the 2006 figure of \$4.9 billion, you'll see that we've increased by more than 26 percent. This strong growth is a reflection of how our City is becoming a leading economic force - experiencing growth on all levels: population, retail, and office. The biggest change is our maturing into the high-end retail market. Grubb and Ellis recognized Riverside among the "Top 10" in all four market strength forecasts for 2006. And several restaurants (P.F. Chang's China Bistro and Cheesecake Factory), having taken notice of Riverside's sales potential, will soon open new restaurants at the Galleria at Tyler.



This 2006 Development Department Annual Report highlights the great strides that are being made towards enhancing the City of Riverside's overall quality of life. This is evidenced by the multiple "Investing in Our Future" signs seen as you drive around the city. They highlight only a small portion of all the work being done to make Riverside your city of choice. From the Parks, Recreation and Community Services' park improvements to the Public Works' street improvements to the Library's additions and enhancements, our City is definitely on the move.

Riverside added more than 2.5 million sq. ft. of industrial space - bringing its total to nearly 35 million sq. ft. And more than 2 million sq. ft. of Class A office space has either been built or is under construction, proposed, or in the entitlement stage. Canyon Springs and Canyon Crossings have added retail to the mix in Riverside; the Galleria at Tyler has begun its expansion; and Riverside Plaza continues to serve the city as a high-energy, lifestyle center.

The Development Department continues to implement the City Council's vision of Riverside. The *Redevelopment Agency* and the *Real Property Services Division* are working together to prepare land for "smart" growth and sophisticated development projects - like the Fox Plaza. And they are improving infrastructure with the University and Columbia avenues streetscape projects. The *Economic Development Division (ED)* is actively recruiting high-tech and knowledge-based companies, providing jobs for our residents, enlisting upscale restaurants and retailers to locate in Riverside, and helping local businesses with their expansion needs. The *Housing and Neighborhoods Division* is providing housing programs and using Community Development Block Grant (CDBG) funds to better the community while ensuring strong partnerships with our residents and marketing the growth and excitement of the City. The *Finance and Administration Division* ensures that we have the resources available for all the department's projects and initiatives.

Within these pages you will see evidence of Riverside's dreams coming true. Many projects that were formerly conceptual designs are now developments that are progressing; and others still on the drawing board are moving forward with the assistance of the Development Department. All of this makes Riverside a desirable place to work, live, and play.

We thank all of our partners in our endeavors, for without them we would not succeed. And we look forward to another exceptional year in Development.

A handwritten signature in dark ink that reads "Belinda J. Graham". The signature is fluid and cursive, written in a professional style.

Belinda J. Graham
Development Department Director

City of Riverside and Area Recognitions - Recognized in 2005/2006

- Named 3rd in the “Hottest Cities for Selling”
- Sales and Marketing Management 2006
- Ranked 10th in “Top 200 Best Performing Cities for 2005”
- Milken Institute, February 2006
- Among the top 10 in all four national real estate markets
- Grubb & Ellis’ 2006 Global Forecast
- Recognized 5th in “Boomtowns 2006: Hottest Large Cities”
- Inc. magazine, May 2006
- Named as the 10th strongest retail market in the nation
- Marcus & Millichap 2006
- Ranked 6th for job growth
- Forbes 2006



The City of Riverside has the 6th largest population in Southern California and the 12th largest in the state. Located in the second-fastest growing county in the nation, Riverside leads the Inland Empire in virtually every measure of economic power. In education, the four colleges and universities in the city (California Baptist University, La Sierra University, Riverside Community College, the University of California, Riverside) support more than 40,000 students.

Fast Facts

Year of incorporation	1883
Square miles	80

Population

Population - 2006 ⁽¹⁾	287,820
Population growth, 2001-2006 ⁽¹⁾	25,556
Percentage - 2001-2006 ⁽¹⁾	9%
Population per mile ⁽¹⁾	3,598
Median Age ⁽²⁾	29.7

Existing Home Sales

Number of Sales - 2005 ⁽³⁾	6,055
Median home price - 2006, 2 nd quarter ⁽⁴⁾	\$419,000

New Home Sales

Home sales - 2005 ⁽³⁾	1,236
Median home price - 2006 2 nd quarter ⁽⁴⁾	\$499,750

Retail Sales

Taxable sales - 2005 (billions) ⁽³⁾	\$4.9
Taxable sales growth - 2000-2005 ⁽³⁾	53.6%
Taxable sales per capita - 2005 ⁽³⁾	\$17,202

Income

Average Household Income - 2006 ⁽²⁾	\$67,298
Median Household Income - 2006 ⁽²⁾	\$50,468
Total personal income (billions) - 2006 ⁽²⁾	\$6.28

High-End Retail Potential

Average Income for 90,715 Households- 2006 ⁽³⁾	\$79,801
Average Income for 54,415 Households- 2006 ⁽³⁾	\$108,533

Transportation Corridors

I-215, 91 & 60 Freeways	
Ontario/LA World Airport	16 miles
March Inland Cargo Port	Adjacent
Riverside Municipal Airport	
BNSF & UPSP Railways	

Municipally-owned water and electric utility

(1) California Department of Finance; (2) ESRI 2006

(3) John Husing Ph.D., Economics and Politics; (4) DataQuick 2006

RETAIL

RETAIL

According to the recent findings of the California Board of Equalization, the City of Riverside

ranks as the third-largest suburban retail center in Southern California.

Moving ahead of Irvine, Riverside has reached an all-time high of \$4.9 billion in total annual retail sales. This sales success is due to both the rising population and the rising income in the region. Affordable prices for upscale housing have resulted in an increase in highly paid and educated workers' moving to Riverside and demanding more upscale purchasing options. Since retail sales are a measurement of a city's economic growth and performance, Riverside's strong sales demonstrate that our city's economy is continuing to expand and that there are growth opportunities in the retail sector.

Regional economist Dr. John Husing's High-End Retail Report shows that 168,303 people live in Riverside with an average household income of \$82,939. The high average proves to retailers that residents have income necessary to sustain high-end stores. Retailers base their site selection on a city's household income, and Riverside has shown it has the buying power to support upscale shopping. In the last year, local Riverside high-end stores and restaurants - Nordstrom, California Pizza Kitchen, and Trader Joe's - have all exceeded profit expectations.

Significant Retail Projects in Development

GALLERIA AT TYLER, owned by General Growth Properties, offers a complete shopping and entertainment experience. The dominant, most prestigious super-regional mall in the Inland Empire, the Galleria at Tyler is a two-level, enclosed shopping center, anchored by three major department stores. It features a diverse tenant mix - Abercrombie & Fitch, Guess, Ann Taylor Loft, Barnes & Noble, White Barn Candle, Bombay Company, Brighton Collectibles, Godiva Chocolatier, Hollister & Co., TGI Friday's, Metro Park, Jimmy's - and a fabulous food court with patio seating.

As a result of the extraordinary growth in the area, the Galleria at Tyler began a major expansion in 2005-2006, adding 130,000 sq. ft. to the existing 1.1 million sq. ft. mall. The expansion includes P.F. Chang's China Bistro and the Cheesecake Factory, both scheduled to open mid-November 2006; the Elephant Bar, scheduled to open Spring 2007; and the Yard House and AMC 16 Theatre, scheduled to open December 2007.



MISSION VILLAGE is a new regional center with available in-line and pad site opportunities. Located in one of the fastest growing, highest-income areas in the city, this 30-acre retail center is adjacent to the highly successful Mission Grove Plaza. The Mediterranean architectural design, lush landscaping, in-line shops, and highly visible anchors provide an upscale shopping experience. The project has one-half mile of street identity along one of Riverside's major arterials. In addition to excellent demographics in the immediate area, Mission Village continues to attract customers from nearby southerly communities along I-215.



In the evenings, Mission Village is a "people magnet" where locals meet to enjoy the 18-screen CinemaStar Luxury Theater and Akina Sushi Teppan, Cactus Cantina, and Romano's Italian restaurants. Already open at Mission Village is LA Fitness, Sav-On Drugs, It's A Grind Gourmet Coffee, Pizza Factory, Tommy's Burgers, and Wells Fargo Bank. And coming soon are Community Dental and Lavish, a full-service, upscale day spa and salon. Both of these entities have signed leases, and pads will soon be under construction.

Now under construction is **CANYON CROSSINGS AT CANYON SPRINGS**, a 90-acre, freeway-oriented, \$150 million development project with 740,000 sq. ft. of retail space. Already open are Cost Plus World Market, Bed, Bath and Beyond, and Marshalls; and soon this center will be anchored by a Wal-Mart Supercenter, a 50,000-sq. ft. John's Incredible Pizza, Staples, Wickes Furniture, EasyLife Furniture, and LA Fitness. It will also include 144,000 sq. ft. of Class A office space. Located at the intersection of two major freeways with more than 200,000 cars passing the site daily, Canyon Crossings is also adjacent to several key retailers: Target, Best Buy, Linens 'N Things, Pier 1 Imports, and Sam's Club.



RIVERSIDE PLAZA is designed to be a gathering place for the entire community. The 35-acre plaza is an outdoor, pedestrian-oriented center that features specialty shops, dining, and entertainment. For a relaxing afternoon or night on the town, guests can enjoy the 18-screen multiplex Regal Theater and restaurants with outdoor seating (Chipotle, Pick Up Stix, Red Brick Oven, Daphne's Greek Café, Panera Bread, Citrus City Grille, and California Pizza Kitchen). The Plaza is anchored by Gottschalks Department Store, offering a variety of soft goods including furniture, clothing, and cosmetics; and Trader Joe's and Vons Grocery Store, offering an assortment of food choices for even the most discriminating. Added to the Plaza is Borders

bookstore, El Torrito, and boutiques that specialize in art, apparel, accessories, gifts, and jewelry. This unique place provides excitement and fun for the people of all ages.

OFFICE/ INDUSTRIAL

OFFICE AND INDUSTRIAL

Technical-Based and Knowledge-Based Jobs

Jobs in a community need to match the technical expertise of its residents. In Riverside, our people are increasingly more highly educated and desire high-paying jobs closer to home.



The Development Department is working towards recruiting these types of companies to the local area. In 2005, the Inland Empire increased its office

inventory to more than 38.5 million sq. ft., 23% (nearly 9 million sq. ft.) of which is in the City of Riverside. More than 650,000 sq. ft. of office space was added in the past year, with nearly 1.5 million sq. ft. more either proposed or already under construction. The City of Riverside added more than 2.6 million sq. ft. of industrial space in the last year, bringing the City's total to nearly 35 million sq. ft. (This does not include the 1.4 million sq. ft. still under construction.) The firms occupying the new buildings are diverse and include telecommunications, distribution, service industries (insurance, finance, real estate or government jobs) and utility-dependent businesses (e.g., plastic injection molding companies). Clearly Riverside will be a major contributor to the 588,709 additional jobs predicted for the Inland Empire between 2004 and 2015.

DEVELOPMENT AREAS

HUNTER PARK / NORTHSIDE

Recent development trends make the Hunter Park/Northside area an attractive place for growing businesses. In recent years, the Development Department has focused on developing technology-friendly office buildings, broadband and wireless access, investing in infrastructure, planned development, upgrading existing parks and recreational facilities, and modernizing neighborhoods. Located close to three major freeways, the Hunter Park/Northside area includes the University Research Park, and several major projects slated for development. To ensure the area remains attractive to high-quality tenants, the Redevelopment Division pursued, and was awarded a grant for 2 million dollars to improve Columbia Avenue as the "Gateway to Hunter Park." Significant projects in the Hunter Park/Northside area include these:

- *The Grove* - Master-planned, multi-building office campus currently under construction
- *Spruce Street Professional Building* - Class A, mid-rise office building
- *Chicago Gateway* - Master-planned, multi-building office and light, industrial campus ready for lease and/or purchase
- *University Research Park* - High-Tech and Office Park
- *Palmyra Business & Distribution Center*
- *Highgrove Corporate Center*

DOWNTOWN

Riverside's downtown is evolving into a destination center for the arts, entertainment, and dining. Restaurant development, expansion of business services, and new office projects make the downtown a desirable place to establish a business.

Significant projects in the Downtown area include these:

- *Market Street Corporate Center* - Highly-visible, mid-rise office buildings
- *Fox Plaza* - Residential, hospitality, and retail mixed-use project
- *Fox Theatre Rehabilitation/Reuse Project* - Former Vaudeville venue set for future theatrical performances



SOUTHEAST RIVERSIDE / SYCAMORE CANYON

The City's "Gateway from the East" is the Southeast Riverside/Sycamore Canyon development area. This area is composed of existing, newer, single-family homes and the recent major development of corporate centers, manufacturing, a logistical business park, boutique plazas, academic housing, and high-density housing.

Significant office and industrial projects in Southeast Riverside/Sycamore Canyon include these:

- *Mission Grove Corporate Plaza* - Master-planned, multi-building office campus currently under construction
- *Canyon Crossings* - Highly-visible, mid-rise office buildings
- *University Village* - University-oriented, mixed-used development
- *Canyon Commerce Center* - Two buildings totaling about 800,000 sq. ft. for manufacturing and distribution



WESTERN RIVERSIDE

Riverwalk, a 73-acre premier, mixed-use business community, is one of the largest master-planned business parks in the area. Designed to preserve the character of the surrounding modern sub-division and academic community, it will provide the infrastructure for business growth. The business park is located close to upscale shopping and restaurants at the Galleria at Tyler and is near one of the city's priority redevelopment projects known as *Five Points*. Phase IV of Riverwalk is currently under construction and includes mid-rise office buildings for lease and small professional office buildings for sale.

MAGNOLIA CENTER / ARLINGTON

Ongoing revitalization efforts continue to evolve for the Magnolia Center/Arlington areas of Riverside. These efforts include proposed mixed-use village projects, facade and property consolidation efforts in the commercial district, the nearly completed Riverside Plaza revitalization, and expansion of economic rejuvenation onto the surrounding properties. The completed streetscape projects have significantly enhanced the visual quality of the Arlington Village area - likely to become Riverside's next office "hotspot."

HIGH-TECH COMMUNITY

CREATING A HIGH-TECH COMMUNITY

With its universities, colleges, technical workforce, and growing population of affluent residents, Riverside is anchoring its place as the high-tech capital of the Inland Empire. With input from our core technology firms, the City of Riverside has created programs to attract new and start-up, high-tech companies and entrepreneurs with significant growth potential.

SmartRiverside

SmartRiverside is a non-profit organization that works with local groups to develop initiatives that strengthen Riverside's technology capacity. These initiatives not only help build the local technology

community but also bridge the digital divide and stimulate awareness of technology as a means of greater economic prosperity. Resulting programs include the *Riverside Wireless Initiative*, the *Digital Inclusion Program*, and the recently added *High-Technology Tenant Improvement* and *Mortgage Incentive* programs.

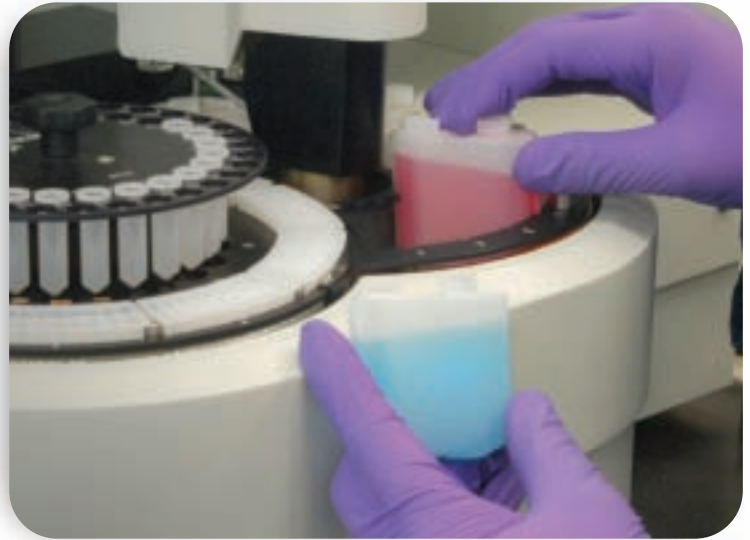


- **Riverside Wireless** - This initiative provides free wireless service in the Downtown District, at the Riverside Airport, and in the Marketplace. As a result of its success, plans have been put in place to expand the network to encompass *all 80 square miles of the City of Riverside*. By providing free internet access, the City will afford its citizens and visitors the ability to surf the Internet, complete schoolwork, or conduct business at *any location throughout the city*.
- **Digital Inclusion Program** - This program offers three different plans targeting different income and need levels to ensure every family and student in Riverside has an opportunity to own a computer. The City hired a designated staff person to coordinate this program. The overall purpose is to "process power" for the people.

- **High-Technology Tenant Improvement Program and Mortgage Incentive Program** - Funded through SmartRiverside, the High-Technology Tenant Improvement Program and the Mortgage Incentive Program are both designed to attract employers and employees in the technology field to the area.

Under the Tenant Improvement Program, grants are awarded to small technology companies with sales of less than \$20 million per year. This program, designed to help offset expensive lab-related tenant improvement costs for small technology companies, allows them to redirect capital.

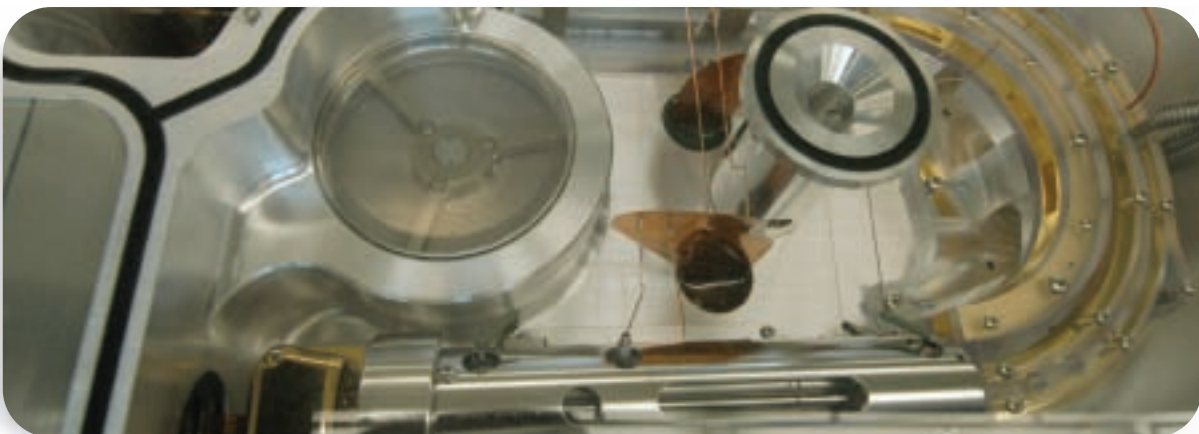
The Mortgage Incentive Program offers mortgage incentives to high-tech employees looking to move to the City of Riverside. Through this program, an applicant will receive a special home-loan package that includes no origination fees as well as a possible reduced interest rate.



CEO Forum - Luminex, QMotions, and Surado Solutions are all successful high-tech companies in Riverside headed by visionary CEOs who are looking to make Riverside a “hotbed” for technology. With several other local CEOs, they have formed the High-Technology CEO Forum. Meeting monthly, *The Forum* offers chief executive officers of research and development companies the opportunity to network. It has become an arena for discussing relevant topics and issues, for developing and deploying programs, and for creating action items of importance to the growth and prosperity of their industry and of the community.

TriTech Small Business Development Center (SBDC) - The Development Department played a key role in attracting the TriTech SBDC to Riverside. TriTech helps emerging companies and entrepreneurs find money to grow their enterprises.

Riverside Angel Network - With a focus on high-tech, the goal of the Network is to create a pipeline of Angel, or mezzanine, funding for entrepreneurial start-ups and emerging companies to utilize. Angel funding is critical to these types of ventures, as many of them fail due to an inability to access capital, particularly at the critical early stages of their development. The Network provides an opportunity for private investors to identify and connect with such companies.



REDEVELOPMENT AGENCY

The Redevelopment Agency, a division of the Development Department, is responsible for promoting investment in new real estate development, property rehabilitation, and land recycling within the City's seven redevelopment project areas. The Agency leverages redevelopment funds by partnering with private sector developers and facilitating public improvement projects using public loan and grant funding sources. These activities spur on private development in the four designated areas: North, Central, West, and Capital.



The Agency Achieved these Priorities in FY 2005/2006:

- Entered into development agreements for signature housing projects along Market Street, between First and Third streets
- Entered into the "Fox Plaza" development agreement for a mixed-use project at Market Street and Mission Inn Avenue
- Completed Phase II of the Market Street Gateway improvements
- Completed significant property acquisition and consolidation initiatives to create future development sites on University Avenue
- Continued property acquisition and consolidation to complement the Riverside Plaza urban lifestyle center
- Committed funding for the Community Medical Clinic expansion and improvements in the Casa Blanca area
- Facilitated infrastructure improvements to Riverside Municipal Airport
- Finalized the La Sierra/Arlanza Project Area validation and completed Amendment No. 1 to the Redevelopment Plan
- Completed design and construction of the Monroe Wall improvements on Monroe Street at Indiana Avenue
- Completed at California Square the acquisition, tenant relocation, and demolition of three parcels
- Began final design work for the rehabilitation and adaptive reuse of the historic Fox Theater
- Commenced construction on Fire Stations Nos. 6, 13, and 14
- Facilitated completion of the Magnolia Police Station (West Neighborhood Policing Station)
- Commenced site preparation for the design build Arlington Library rehabilitation and expansion
- Commenced construction, design, and planning for the new Orange Terrace Library and Community Center
- Initiated the Monroe Street enhancement improvements



On-going priorities include:

- Fox Theater rehabilitation and adoptive reuse for community performing arts
- Continued site assembly to further the Market Street development initiative to include residential projects on full blocks between First and Third streets and mixed-use concepts for the blocks surrounding the Fox Theater
- University Avenue blight elimination and economic re-investment initiatives

Key Measures of Success FY 2005/2006	FY 2005/2006 Goal	FY 2005/2006 Actual	FY 2006/2007 Goal
Percentage of increase in assessed property valuation in all project areas	5%	14%	6%
Percentage of Agency investment to total project value (Goal is for agency to minimize dollars invested)	20%	18%	15%
Percentage of construction projects completed within 10% of approved budget estimate	90%	95%	95%
Percentage of clients rating customer service as “good” or “excellent”	90%	90%	95%
Number of jobs created in project areas	1,200	2,439	1,500



ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT DIVISION

The Economic Development (ED) Division develops and implements strategies to promote a strong local economy by attracting new businesses and assisting existing companies to prosper and grow.

ED strategies focus on attracting, retaining, and supporting high-performing businesses. In turn, these businesses increase the City's retail tax base, providing residents with a higher quality of life. ED accomplishes this by developing opportunities that create an environment to make Riverside attractive to companies in the office, advanced manufacturing, and high-tech industry clusters. During Fiscal Year 2005/2006, local business development continued to thrive on the momentum of the regional economic market coupled with increased business outreach and attraction efforts.



Recent achievements by the ED Division:

- Continued the Department's outreach efforts by *marketing to and networking with* real estate professionals throughout the Inland Empire and Orange, Los Angeles, and San Diego counties. These activities included:
 - hosting two real estate broker luncheons in Orange County
 - co-hosting the California Centers Annual Summer Networking Gala
 - attending tradeshows (International Council of Shopping Centers(ICSC) and CoreNet Global Summit)
 - sponsoring both the Inland Empire and Southern California Chapters of NAIOP
 - becoming actively engaged in each of these organizations
- Hosted two Riverside Business Receptions for more than 300 new and established business owners
- Conducted 87 business visits under the Mayor's Business Visitation Program and the Department's General Business Visitation Program
- Provided business assistance to 140 Riverside businesses through retention programs and referrals to partnering organizations
- Continued to work with developers as City Hall liaisons, helping to coordinate their entitlement and/or permitting processes

Key Measures of Success*	FY 2005/2006 Goal	FY 2005/2006 Actual	FY 2006/2007 Goal
Jobs created/attracted/retained	1,900	2,352	2,000
Dollar increase in taxable sales (in millions)	\$120	\$370	\$200
Increase in taxable property values (in millions)	\$200	\$3,000	\$1,000
Businesses retention visits made*	50	75	90
Businesses attracted to Riverside*	25	32	30

*Numbers reflect results of economic development efforts, not total city growth



Additional Achievements of the Economic Development Division

- Received California Association of Local Economic Development (CALED) Merit Awards in the following categories:
 - ◆ Economic Development Partnership - Riverwalk Business Park Development
 - ◆ Economic Development Promotions - City of Choices Marketing Campaign
 - ◆ Economic Development Programs - City's Business Development Program
- Hosted international trade delegations from Jiangmen, China, Sendai, Japan, and Hyderabad, India, to facilitate potential business partnering with Riverside businesses
- Designed and completed the "Riverside Calling" Business Survey (145 Riverside businesses responded)
- Completed the updated Economic Development Strategy to provide recommendations for future economic development activities
- Completed and provided business assistance grants to 10 local businesses under the University Avenue Corridor Business Development Matching Grant Program

REAL PROPERTY SERVICES DIVISION

The Real Property Services Division provides real estate services related to the acquisition and transfer of real property interests on behalf of the City, Redevelopment Agency, and Parking Authority. The Division negotiates with property owners and administers the successful relocation of owners and businesses affected by all types of projects.



During Fiscal Year 2005-2006, Real Property Services effectively completed the acquisition and/or transfer of real property interests in these ways:

Properties Sold:

- Approximately 115 acres of surplus lands for \$10,408,000 in revenue

Properties Acquired:

- Purchased properties for the new Homeless Shelter and Safe Haven Supportive Housing Center
- Completed purchase of 2 four-plexes on Indiana Avenue for housing projects; two more are in process
- Acquired temporary construction easements for the Monroe Street beautification project, Phase III of the University Avenue streetscape project, and the Martin Luther King Street improvements project
- Assembled land at California Square for site redevelopment - including 14 business relocations
- Negotiated final acquisitions on Van Buren Boulevard for street widening
- Assembled land at Merrill Avenue - including 2 business relocations
- Purchased land in the downtown area - including 3 business relocations



Safe Haven Supportive Housing Center

On-Going Priorities:

- Acquisition of right-of-way for Jurupa Avenue grade separation project for Public Works
- Acquisition of two new reservoir sites to meet the City's increased water demands

Real Property Division's success is measured annually by the following:

- The ability to acquire necessary rights-of-way for city improvement projects within established time frames
- The successful relocation of any displacements affected by projects

HOUSING AND NEIGHBORHOODS DIVISION

The former Housing and Community Development and Office of Neighborhoods divisions merged in 2005-2006. Now called "Housing and Neighborhoods," the Division is responsible for programs and projects addressing affordable housing, homelessness, community engagement, and grassroots leadership. And it is home to the City's marketing and special events staff.

HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS

The Division's *Housing and CDBG Team* provides administrative oversight of more than \$7.4 million in federally funded programs - the Community Development Block Grant Program (CDBG), the HOME Investment Partnership Program, the Emergency Shelter Grant Program (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA). Housing and Neighborhoods continues to assist in the development of housing opportunities for low-income families and the preservation of the City's existing affordable housing stock.

Fiscal Year 2005/2006 Housing Program Achievements:

- Began construction of 101 very low-income apartments at *Cypress Springs* in partnership with the Riverside Housing Development Corporation
- Began construction of 75 very low-income senior apartments on *11th and Ottawa streets* in partnership with TELACU
- Completed 6 affordable single-family homes for low-income families on *12th Street* in partnership with Mary Erickson Community Housing
- Established a Tenant-Based Rental Assistance Program
- Provided emergency shelter to more than 1300 individuals and families
- Completed the rehabilitation of the *Mission Pointe Apartments*
- Completed Phase I of a neighborhood rehabilitation project in the *Chicago/Linden neighborhood*
- Completed (1) Habitat for Humanity home in the *Casa Blanca neighborhood*
- Acquired 8 additional apartment structures on *Indiana Avenue* for low-income families
- Rehabilitated 87 single-family homes
- Provided Administrative oversight to \$7.42 million in federally funded public service programs and capital improvement projects



Housing Program Key Measures of Success	FY 2005/2006 Goal	FY 2005/2006 Actual	FY 2006/2007 Goal
Percentage of required reports filed by deadlines	100%	100%	100%
Percentage of owners satisfied with rehabilitated homes	100%	99%	100%
Number of affordable units rehabilitated	90	85	75
Number of affordable housing units produced	108*	7	186

*Project providing 101 units is still under construction and will be completed FY 2006/2007

NEIGHBORHOOD PROGRAMS

The Division's Neighborhoods Team focuses on improving neighborhoods and communities by encouraging residents to tap into their community resources in order to address their neighborhood issues and improve their quality of life. By working together towards a common goal, residents become self-reliant and build a sense of community in the process, establishing better relationships with each other and with the City.

Fiscal Year 2005/2006 Neighborhood Program Achievements

- Held a *Neighborhood Conference* attended by more than 350 people
- Graduated 24 students from the *Neighborhood Leadership Academy*



- Supported the *Riverside Neighborhood Partnership*
- Continued the Asset-Based Community Development initiative in the Eastside Neighborhood
- Administered 3 annual, city-wide *Neighborhood Awards Programs*: the Jack B. Clarke Good Neighbor Award, the Neighborhood Pride Awards, and the City Council Neighborhoods That Work Awards
- Provided neighborhood organizing support and advocacy to the City's 160 Neighborhood Associations that are registered with the Housing and Neighborhoods Division

Neighborhood Program Key Measures of Success	FY 2005/2006 Goal	FY 2005/2006 Actual	FY 2006/2007 Goal
Percentage of residents rating the Neighborhood Leadership Academy good to excellent	100%	100%	100%
Percentage of participants rating Neighborhood Conference program good to excellent	80%	90%	85%
Number of board members and guests attending monthly Riverside Neighborhood Partnership meetings	242	151*	175

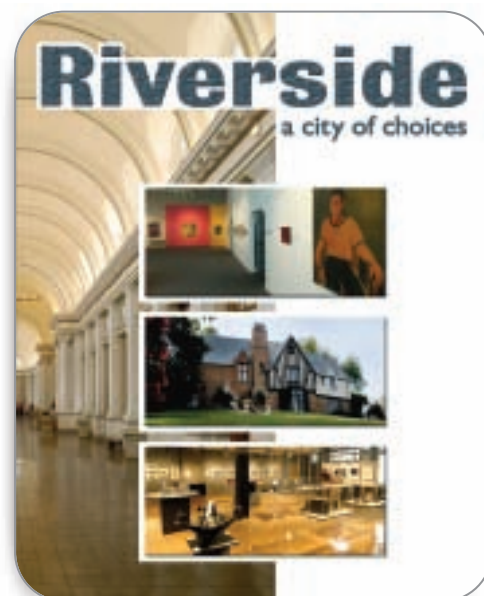
*Reduction due to unanticipated board vacancies

MARKETING PROGRAMS

The Marketing Team coordinates and produces high-quality marketing collateral for all departments and organizes special events to enhance the overall image of Riverside. The Team works with representatives from all departments to ensure synergy and commonality in everything the City produces.

Fiscal Year 2005/2006 Marketing Achievements

- Completed *City of Choices* campaign
- Received five awards for marketing initiatives
- Produced a retail book for the 2006 International Council of Shopping Centers
- Achieved an 8-to-1 return on investment with public relations firm Amies Communications' efforts (11 press releases, 10 media tours, 40 feature story pitches, 49 articles, 2 City by-line articles, 4 promotional blitz emails, and 2 media kits)
- Developed protocol for marketing and publication services to all City departments
- Developed and successfully executed the City's first *Miss Orange Blossom Scholarship Pageant*
- Developed and successfully executed 10 City events. (These included Fire Station No. 5 Grand Opening, Fire Fighters Recognition of Service, Employee Recognitions and Awards Banquet, Mission Pointe Apartments Grand Opening, Mary Erickson Homes Grand Opening, Hydrogen Fueling Station Grand Opening, Cypress Springs Groundbreaking, and retirement celebrations.)



FINANCE AND ADMINISTRATION

FINANCE AND ADMINISTRATION DIVISION

The Finance/Administration Division provides support for the Development Department's other four divisions.

Fiscal Year 2005-2006 Finance/Administration Accomplishments

- Provided financial management services for the department, including preparation of five-year cash flows for the Redevelopment Agency
- Advised and collaborated with other divisions to leverage funds for redevelopment and federally funded projects
- Served as liaison for financial issues surrounding retail tenants in Agency-owned properties
- Prepared complex reports required by state and federal law, including California Redevelopment Law
- Managed and serviced a portfolio of 500 down-payment assistance and housing rehabilitation loans

Key Measures of Success	FY 2005/2006 Goal	FY 2005/2006 Actual	FY 2006/2007 Goal
Percentage of loans serviced timely	100%	100%	100%
Percentage of reports prepared within established timeframes	100%	100%	100%



DEVELOPMENT DEPARTMENT GOALS AND PRIORITIES FOR 2006-2007

- Conduct a minimum of 90 business visits under the Business Visitation Program
- Provide business assistance to 140 businesses through business retention programs and referrals to partnering organizations
- Coordinate the development of a comprehensive strategy for international trade endeavors
- Complete property acquisition for signature housing projects along Market Street, between First and Third streets
- Commence construction on the “Fox Plaza” mixed-use project at Market Street and Mission Inn Avenue
- Commence construction of the Fox Theater renovations
- Complete property exchange with Riverside County and enter into a development agreement for the new Class A office building
- Attract mixed-use development to complement the Riverside Plaza urban lifestyle center
- Attract mixed-use development to the University Avenue Corridor
- Commence construction of new improvements and rehabilitation at California Square
- Construct Monroe Canal and street improvements at California Avenue
- Implement mixed-use retail/office development for Arlington Center on Van Buren Boulevard between State Route 91 and Andrew Street
- Facilitate property acquisition and revitalization efforts in the Five Points area
- Facilitate completion of Fire Station Nos. 6, 13, and 14
- Commence construction of the new Emergency Operation Center/Training facility, the Arlington Library rehabilitation and expansion project, and the new Orange Terrace Library and Community Center
- Complete acquisitions of right-of-way for several underpass projects
- Acquire two new water reservoir sites
- Obtain long-term financing for Agency acquisitions and projects
- Launch a homeless street outreach effort
- Increase participation in Neighborhood Conference 2007 to exceed 380 attendees
- Actively partner with Riverside Neighborhood Partnership to help neighborhoods improve the quality of life in the community
- Create an Arts and Culture Division within the department to elevate the City’s recognition as an arts and culture destination place
- Develop Riverside’s arts and culture calendar and coordinate events
- Continue to enhance the City’s image through increased positive media coverage and national recognition of positive growth and business development



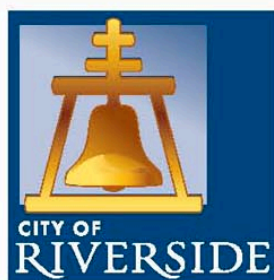
Riverside Main Street Pedestrian Mall

COUNCIL & AGENCY MEMBERS

MAYOR - Ronald O. Loveridge, WARD 1 - Dom Betro, WARD 2 - Andy Melendrez, WARD 3 - Art Gage,
WARD 4 - Frank Schiavone, WARD 5 - Ed Adkison, WARD 6 - Nancy Hart, WARD 7 - Steve Adams

City Manager & Redevelopment Agency Executive Director — Bradley J. Hudson

Assistant City Managers — Michael Beck, Tom DeSantis, Paul Sundeen



Development Department Director: Belinda Graham
Development Department Assistant Director: Conrad Guzkowski
Housing and Neighborhoods Division Manager: Eva Yakutis-McNiel
Marketing Manager: Charva Ingram
Marketing Assistant: Anthony Griffin
Graphic Designer: Veronica Lucas-Derwey
Photography by: Delvin Bain
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